



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

November 30, 1995

Gordon S. Ziegler, Jr.
President
Ziegler Chemical and Mineral Corporation
100 Jericho Quadrangle
Jericho, New York 11753

Re: Amendment to Large Mining Operations Notice of Intention, Ziegler Chemical and Mineral Corporation, ZI-95-1 Amendment, M/047/013, (ML-46565) Uintah County, Utah

Dear Mr. Ziegler:

On November 6, 1995, the Division received your Notice of Intention to Commence Small Mining Operations for the ZI-95-1 project, located in Section 16, Township 9 South, Range 24 East, SLBM, Uintah County, Utah. This notice involves a mineral lease with the State Institutional Trust Lands Administration (SITLA).

Due to the Division's "Neighboring and Related Sites" policy (any disturbance lying within a two-mile radius), this small mine notice will be considered an amendment or revision to your existing large mine permit, M/047/013 Ziegler Gilsonite Mines. A preliminary review of your proposal classifies it as an "amendment" which is considered a minor change to a large mining notice. An "amendment" usually requires less time to process than a "revision" which is considered a major change to a large mining notice. Because of other permit applications we received prior to your notice, we have not been able to review your submission within the usual 30-day time frame for large mining notice amendments. We will complete our review as soon as we are able.

I have been in contact with Wil Stokes of SITLA to inform him of the Division's situation and our review requirements for this amendment. In addition, we have discussed the bonding requirements of both our agencies in an effort to streamline the process and hopefully avoid unnecessary delays in the bonding paperwork. I have also contacted your consultant, Bud Covington, to appraise him of our current situation regarding the amendment/revision classification and our review time frame for this amendment.



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We hope this delay will not cause any undue hardship for your operations. If you have any questions or concerns regarding our review of your amendment, please call me, or my supervisor, Wayne Hedberg, here at the Division.

Sincerely,

A handwritten signature in cursive script, reading "Anthony A. Gallegos". The signature is written in dark ink and is positioned above the printed name.

Anthony A. Gallegos
Senior Reclamation Specialist

jb
cc: Norm Haslem, Ziegler Gilsonite, Little Bonanza
Bud Covington,
Wil Stokes, SITLA (ML-46565)
Wayne Hedberg, DOGM (route)
M-47-13.amd